**SUMMARY OF WORKING GROUP DISCUSSION AND DATA/INPUT RECEIVED ON TMCH CHARTER CATEGORIES 1 (EDUCATION) & 2 (VERIFICATION AND UPDATING OF TMCH DATA)**

**Updated 10 February 2017**

**CATEGORY 1 - EDUCATION**

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| **Charter Questions** | **Further WG Questions** | **Deloitte Response** | **Registry Response (if applicable)** | **WG Discussion** | **Follow Up** |
| 1. **Is the TMCH clearly communicating: (i) the criteria it applies when determining whether or not to accept marks for entry into the TMCH; (ii) options for rights-holders when their submissions are rejected; and (iii) options for third parties who may have challenges to or questions about recordals in the TMCH?** | 1. Possible that the TMCH Guidelines (e.g. criteria and process for submission of entries) are clearly communicated –problem may be with a perceived inconsistency of approach (e.g. not always clear what the grounds for rejecting submissions are), and an apparent piecemeal approach to implementation (e.g. not clear what else will be accepted as proof of use). 2. Has anyone reported any issue or trouble concerning multiple registrations of the same trademark by multiple trademark holders? 3. Can we get more information about what the TMCH’s “learning curve” has been between its establishment and initial operations, and now? 4. ~~Is there any publicly-available information on how to object to TMCH entries and recordals? How can objections be lodged if the TMCH database is not publicly searchable?~~ (MOVED TO CATEGORY 2) | The number of invalid trademark records is on average 8% of the total number of mark records submitted. In this population 43% of these trademark records have been submitted by trademark holders residing in the United States, followed by the UK with 9%, France, Germany and Switzerland with each 6% and another 63 countries divided over the remaining 30%.  On sunrise eligibility and “actual use”, it is very difficult to provide historical data. At this moment an average 4% of the active TMCH records are not sunrise eligible. We have not received any complaints regarding the sunrise eligibility requirements and our verification process.  No third party disputes have been brought to date, including on the basis that TMCH incorrectly accepted a trademark record or alleging that a trademark record is no longer valid based on new information. All disputes to date have been with TM holders who did not agree with the TMCH verification process.  Customer support has answered more than 15.000 questions via the customer support portal, e-mail or phone.  The most relevant and frequent questions transformed into FAQs on the TMCH website. Do not have official statistics on the type of support questions received as this was not required.  Based on experience, most questions relate to actual trademark management such as (1) how do I a submit a trademark record; (2) for what purpose is the trademark record deemed incorrect; or (3) I have received a claims notification, what do I do now? | Registries Stakeholder Group (RySG) suggests that WG obtain data to evaluate utilization of the TMCH, e.g.:   * Number of rejected trademarks from the TMCH and the reasons for rejection; * Statistics on the number of registration attempts made for domains matching TMCH-recorded marks and the number of registrations that were ultimately fulfilled; and * Costs to Deloitte to carry out trademark verification and the extent to which these costs varies by region; and * Costs to registries and registrars (generally for all the RPMs), including for integration. | On (a), these were highlighted by several commenters to the PDP Preliminary Issue Report and the earlier Staff RPM Paper[[1]](#footnote-1).  On (b), a few WG members replied no (on the mailing list).  On (c), this may be a possible topic for discussion with Deloitte at ICANN58.  On (d), WG to consider moving this to Category 2 Q4 or 5 (DONE). | Discuss with Deloitte previous community feedback regarding inconsistent or unclear application of the submission, verification and rejection criteria.  Confirm whether it is possible for third parties to find information on (and thus challenge, if appropriate) TMCH recordals, given that TMDB is not publicly searchable[[2]](#footnote-2). |
| 1. **Should the TMCH be responsible for educating rights-holders, domain name registrants and potential registrants about the services it provides? If so, how? If the TMCH is not to be responsible, who should be?** | 1. Is it ICANN's responsibility rather than the TMCH's? Who else should be educated besides rights-holders? 2. TMCH has incentive and opportunity; has already reached out to its direct customers; but would mandating education raise fees? Not necessarily since they already have the materials 3. Should it be a community effort? How is this to be mandated (if at all)? 4. There is a limit on the extent of education TMCH can provide on Sunrise, given the different types of Sunrise and the choices that a registry have on how to operate them. 5. Registries also have the option to extend the Claims Period, so they can do the education; maybe with ICANN as a "backup" if the registries and registrars do not. However, it is registrars who have the customer relationships. 6. How would it work (if the TMCH is to be responsible) if there are multiple TMCH providers in the future? 7. How has TMCH has done education in the past; were communications effective? | Outreach & education was not defined as being part of the TMCH scope. However, the necessity of education and outreach became very clear from the start of the TMCH as there was limited awareness of the gTLD program and by consequence also the TMCH. Taking this into account, the TMCH has invested a lot of time & effort in creating awareness through:   * Organizing various webinars * Attending all ICANN meetings * Attending and promoting the TMCH at INTA * Organizing various workshops together with our agents * Creating educational brochures and video’s * Creating marketing material * Drafting articles for various IP magazines   Sessions and materials were delivered and provided in various regions and languages. More specifically the TMCH has hosted and sponsored various IP meetings and seminars in various countries of Europe, Russia, China, Taiwan, Japan, the Middle East and in the US in the various languages spoken in these countries. |  | **OPTIONS UNDER DISCUSSION:**   1. ICANN to be neutral educator (at the very least, prepare materials?) 2. TMCH (to extend beyond rights-holders) 3. Community efforts 4. “Hybrid” model of TMCH+ICANN (e.g. TMCH can post official materials on their site, created by ICANN. Note, however, that TMCH has no way of telling customers of any registry or registrar what their experience will be).   Thus far TMCH efforts directed at rights-holders[[3]](#footnote-3) and their agents, which may include large portfolio investors. Individual registrants may not need to know TMCH details, as their main concern is likely the meaning of a Claims Notice, and what to do.  ICANN can develop a factsheet/FAQ for distribution by registrars to their customers (e.g. via link in the Claims Notice back to an ICANN website).  Public comments to the 2015 RPM Staff Paper suggested that outreach to rights-holders outside Europe and North America can be improved, especially in under-served regions, areas shown to have under-utilized the TMCH, and to small local businesses with non-English speaking customers. | In relation to education of registrants and the public, WG to further consider if ICANN should prepare materials (e.g. factsheets, FAQs) about how the TMCH works (e.g. for Claims Notices and Sunrise). One way to reach registrants is for Registrars to distribute or display information to their customers (e.g. as part of a Claims Notice). This may be something to be developed further in implementation.  In relation to education of rights-holders (which the TMCH considers its primary customers), WG to consider if additional outreach to under-served regions and outside Europe and North America may be needed. |
| 1. What information on the following aspects of the operation of the TMCH is available and where can it be found? 2. TMCH services; 3. Contractual relationships between the TMCH providers and private parties; and 4. With whom does the TMCH share data and for what purposes? |  |  | Donuts:   * We use the TMCH to verify Domains Protected Marks List (DPML) block requests. We also look at the SNL and TCN lists for business intelligence such as confirming if numbers reported in industry blogs and ICANN reports are accurate. * We leverage the SMD files as qualifiers for our DPML service. * Only a few registrars complained about the cost and effort required to acquire an SMD file [from the TMCH] to participate in the DPML program. * [We are] aware of brand owners that entered their TMs in to the TMCH just to be able to participate in blocking mechanism services, but not to make any Sunrise registrations.   PIR, AFNIC:   * We do not use the TMDB for purposes other than providing Sunrise and Claims services.   RySG[[4]](#footnote-4):   * WG should look at whether Service Level Agreements (SLAs) for the TMCH providers should have been established and published. The early implementation of the TMCH saw notable outages that resulted in several-day delays for brand owners to get notifications that domains matching their TMCH-registered marks had been registered. * Publish statistics regarding the performance of the TMCH and consideration of whether this could have been improved via published SLAs. * WG should look at cost-effectiveness of the RPMs, including TMCH. |  | WG to follow up with Deloitte on URS provider feedback about lack of access to SMD files to verify rights-holders claims and proof of use – this can be done when WG reviews the URS. |

**CATEGORY 2 – VERIFICATION & UPDATING OF TMCH DATA**

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| **Charter Questions** | **Further WG Questions** | **Deloitte Response (if applicable)** | **Registry Response (if applicable)** | **WG Discussion** |
| 1. Should the verification criteria used by the TMCH to determine if a submitted mark meets the eligibility and other requirements of the TMCH be clarified or amended? If so how? (NOTE: See the TMCH Guidelines at [http://trademark-clearinghouse.com/sites/default/files/files/downloads/TMCH guidelines v1.2\_0.pdf)](http://trademark-clearinghouse.com/sites/default/files/files/downloads/TMCH%20guidelines%20v1.2_0.pdf)) |  | The number of invalid trademark records is on average 8% of the total number of mark records submitted. Reasons for rejection can be, but are not limited to: (1) the name of the mark as submitted to the TMCH does not match the name of the mark that is registered with the Trademark Office; (2) The name of the holder as submitted to the TMCH does not match the name of the holder that has a registered trademark with the Trademark Office; (3) The trademark is not yet registered with the Trademark Office; and (4) The trademark has expired and no proof of renewal was submitted by the trademark holder. |  | WG to follow up with Deloitte concerning community feedback on inconsistency of application of criteria (see also Category 1 Question 1).  [Suggestion from AC chat] Ask Deloitte for a list of all TMCH registrations with Sunrise preference and to indicate which are dictionary terms. |
| 1. Should there be an additional or a different recourse mechanism to challenge rejected submissions for recordals in the TMCH? | MOVED FROM CATEGORY 1: Is there any publicly-available information on how to object to TMCH entries and recordals? How can objections be lodged if the TMCH database is not publicly searchable? | No third party disputes have been brought to date, including on the basis that TMCH incorrectly accepted a trademark record or alleging that a trademark record is no longer valid based on new information. All disputes to date have been with TM holders who did not agree with the TMCH verification process. | More than one type of challenge, i.e.:   * Rights-holder challenging rejection of submission * Other parties challenging recordals (but see problem noted previously with lack of public availability of TMDB) | Follow up with Deloitte as to whether the disputes to date relating to rights-holders’ challenges resulted in a reversal of Deloitte’s original decision.  Note on first question in the second column that was moved from Category 1 – the TMCH Dispute Resolution Procedures are published online: <http://trademark-clearinghouse.com/dispute> |
| 1. How quickly can and should a cancelled trademark be removed from the TMCH Database? |  | As stipulated in the TMCH guidelines by ICANN, a user with a verified mark in the TMCH has the obligation to notify the TMCH as soon as possible when a trademark is cancelled by the trademark office. Upon notification of such information, the user will no longer obtain the services of the TMCH.  As for the expiration of a mark by the Trademark Office, this is monitored by us as the actual expiration date is part of the trademark information that is verified. In the event that a mark expires during the term of service, the user is notified hereof and is requested to provide us with a renewal certificate of the actual trademark. | Trademark cancellation generally not an easy process. It may also be difficult for Deloitte to know when this has occurred. | WG may consider closing this question unless there have there been issues reported regarding removal of cancelled trademarks from the TMDB.  WG to follow up with Deloitte on finding out information as to whether and when a cancelled trademark has been pulled out of the TMCH. |

1. Most comments noted that the trademark verification process appears to be generally effective thus far in restricting non-eligible marks; some made suggestions on how to make the verification process more effective, e.g. improving communication and learning tools, implementing a grace period for rights-holders to correct problems with their TMCH submissions, and providing TMCH staff with additional training. [↑](#footnote-ref-1)
2. Note that the TMCH Dispute Resolution Procedures contemplate third party challenges, e.g. to the provider’s decision that a trademark record was valid because it was incorrectly verified, or to the validity of a trademark record based on information not available to the provider at the time the trademark record was verified (<http://trademark-clearinghouse.com/dispute)>. [↑](#footnote-ref-2)
3. Public comments to the 2015 RPM Staff Paper suggested that outreach to rights-holders outside Europe and North America can be improved. [↑](#footnote-ref-3)
4. The Registries SG listed several topics and items for which it suggested that the WG obtain data, to better evaluate the utlization of the TMCH and the services offered through it: see <https://community.icann.org/download/attachments/59643854/RySG%20RPM%20Response_05JUL16.pdf?version=1&modificationDate=1468352438000&api=v2> for the full Registries SG input. Some of the suggestions concerned the cost-effectiveness of establishing and using the TMCH, such as: What were the costs to IBM to provide DB admin and support? What regions of the world were problematic? Did validation costs vary by region? Why were so few marks registered compared to the millions of worldwide trademarks? Do those who registered believe they received appropriate value? For mark holders who did not register, why not - lack of awareness, expense, lack of perceived value? What were the costs for ICANN, including contracting costs, and the cost to the community in time and effort? Also, New TLDs launch success and trademark issues, comparing those such as .biz, .info and .mobi who launched with their own plans vs the new gTLDs. [↑](#footnote-ref-4)